



# Risk Management Advisor

Risk Management Program

Idaho Department of Administration

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## OPTIONAL INLAND MARINE COVERAGE



**Joan Compton**, Risk Management Insurance Analyst

The Optional Inland Marine program offers agencies an opportunity to insure, through Risk Management, specified state-owned and/or contractually leased business personal property subject to a \$50.00 per occurrence deductible.

Items eligible to be covered by the Inland Marine Program are typically valued at \$2,000 or less and are easily subject to theft, breakage, or are frequently transported to locations outside your premise, such as, lap tops, cameras, cell phones, radios, binoculars, lab equipment, projectors, etc.

The Inland Marine program follows the same insurance coverage provisions as provided in the state's Major Property policy subject to the lower deductible. However, certain items already covered under the Major Property program or other state insurance programs are not eligible for coverage under the Inland Marine Program.

Those items include state-owned/leased buildings, vehicles licensed for the road, mobile equipment of any nature (snow mobiles, riding lawn mowers, golf carts, and off road ATV's- motorcycles); consumable properties and property held in inventory and discovered missing after an inventory check.

Obtaining this coverage requires that your agency insurance coordinator send a schedule of eligible items to Risk Management prior to each July renewal period. The schedule must include a description of the item, its **replacement**

**value** (capped at \$2,000 each item for those items with values excess of \$2,000), and serial and/or state tag number.

Upon receipt, Risk Management assigns a permanent certificate number to each agency schedule for tracking and premium billing purposes. Schedules must be received by the date listed in the renewal letter sent by Risk Management to each agency insurance coordinator in April/May of each year. Coverage for the annual Inland Marine renewal takes effect July 1. Shortly after July 1, premium is billed to each agency based on total value of items. Agencies can add or delete items from their main schedules during the year, however, coverage will be effective on the date Risk Management receives the schedule of changes (additions/deletions).

To file an Inland Marine claim, a property loss claim form must be completed by your agency insurance coordinator and sent to Ellen Hudson at the Risk Management Program. The claim form must describe the Inland Marine Item, its state tag or serial number, indicate the assigned Inland Marine Certificate number and include two estimates for replacing or repairing the item. Also, police reports are required for claims of theft or vandalism. Claim issues will be handled and resolved by assigned Risk Management claim adjudicators.

Specific questions on this coverage can be directed to Joan Compton at 332-1872 or Email at [jcompton@adm.state.id.us](mailto:jcompton@adm.state.id.us)



# MOTORCYCLE SAFETY REDUCES RISK

**Ron Shepard**, Coordinator, STAR Motorcycle Safety Programs

Many people believe that riding a motorcycle is a risky activity. However, as with most new and complex activities we choose to do, training is the key to reducing risk and enhancing enjoyment.

Nationally, there are 46 state managed motorcycle rider education programs such as the Idaho **STAR** (Skills Training Advantage for Riders) offered through the State Department of Education. Over a quarter million people are trained each year and over 3 million have been trained since 1974.

The **STAR** program began in 1996 and offers two classes; one for beginners and one for experienced riders. The basic course (\$75) is taught over one weekend, while the experienced course (\$40) is taught in one day.

Motorcycles and helmets are provided for the basic course, while the student rides their personal bike in the experienced course. In addition, residents under the age of 21 are required to successfully complete the **STAR** program in order to obtain a motorcycle endorsement. Since 1996, over 9,000 Idahoans have learned to ride, and ride responsibly.

A few more neat program facts:

- We have created a website ([www.idahostar.org](http://www.idahostar.org)) with an on-line registration option beginning in 2004. This is also a great place to learn more about the **STAR** program and the training courses we offer.
- Also available in early 2004, the **STAR** Program has its very own specialty license plate (for cars and trucks) to enhance motorist awareness and provide additional income for the program. If interested, visit: <http://www2.state.id.us/itd/dmv/index.htm> for more information.

- We have provided accessibility to cost affordable rider education to over 85% of all Idahoans within 50 miles of their homes by establishing eleven training sites statewide.
- A total of 82 training motorcycles have been purchased by the state.
- An average of 42 additional motorcycles are loaned (free of charge) to the **STAR** program each year by motorcycle dealers throughout the state.
- The **STAR** program has grown an average compounded rate of 20% per year since 1996 without an increase in base funding (we receive \$1 from each driver's license issued).
- An impressive 19.3% of the registered motorcycle owners in Idaho (based on 47,000 registrations) have received training in one of the 964 **STAR** classes since 1996 by our 41 instructors.
- More than 5,500 calls are handled by our answering service each training season. This does not count the thousands of calls handled by the huge **STAR** program staff of two (plus one part-timer).

**"We have created a website [www.idahostar.org](http://www.idahostar.org) with an on-line registration option. This is also a great place to learn more about the **STAR** program and the training courses we offer."**



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**The highest risk group, riders under 21, has decreased their injuries and fatalities by 63% since the program started. The Idaho Transportation Department Office of Highway Safety estimated that over \$92 million has been saved in that one age group alone.**

That all sounds great, but does it work? Does this program really save lives and money? Results are impressive. Overall, motorcycle crash rates have increased 11% since the program's inception. However, registrations have increased 28% over the same period, so we are seeing a significant rate reduction. What is even more significant is that the highest risk group, riders under 21, has decreased their injuries and fatalities by 63% since the program started. The Idaho Transportation Department Office of Highway Safety estimated that over \$92 million has been saved in that one age group alone.

So, it appears that we are making an impact (not literally) once our students leave the class, but learning to ride surely must involve a lot of risk. After all, we take true novices (some who have never seen a motorcycle up close) and in one weekend teach them to perform maximum cornering, braking and swerving skills. In fact, the perceived risk was so great, the **STAR** program carries a \$1 million private insurance policy (\$2 million aggregate) with \$10,000 medical coverage per incident, no questions asked instead of relying on state insurance.

How often is it used? Not often. Our program policy requires that every time a motorcycle falls over, whether or not damage occurs, it is reported. Of the 1,781 students trained in 2003, 98 reports were submitted. Only 20 involved minor scrapes and bruises and no one sought medical treatment. Three claims for motorcycle damage were submitted, not because of extensive damage, but because the free loan motorcycles needed to be returned to showroom condition for sale. In fact, of the 9,000 Idahoans trained to date, less than half a dozen students have sought medical care, and none of the injuries have been significant.

Motorcycling is growing in popularity as never before. Meeting the training demand is a challenge, as is educating the public to be aware of our presence.

Research shows that 75% of motorcycle crashes involve another vehicle and 66% involved the other vehicle violating the riders' right-of-way.

So, the next time you "see" a motorcyclist (please look twice) look for a **STAR** decal on their helmet – it's the mark of quality training and responsible riding.



**Ron Sheppard** has been extensively involved in motorcycle safety since 1971. He became a Motorcycle Safety Foundation (MSF) instructor in 1974 and an MSF Chief Instructor in 1985. From 1984 to 1987, he was the manager of the world wide Air Force Motorcycle Safety Program, and is a 22 year veteran of the Air Force. From 1987 to 1995, Ron worked for the Motorcycle Safety Foundation, a position he left in order to create and direct the Idaho STAR program.





For Questions About Any of These Articles, Contact the Following Authors and/or Managers:

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*"Risk Management Advisor" is published periodically in Boise, ID by the State of Idaho, Risk Management program Staff. Every effort is made to ensure the accuracy of the information published. However, the information provided is intended as an introduction and overview of particular issues and is not intended to be used or relied upon in place of complete research. If you have any comments or suggestions, please contact the Editor, Ellen Hudson, at 208/332-1869 or e-mail at [ehudson@adm.state.id.us](mailto:ehudson@adm.state.id.us).*

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# Incident and Claim Filing Procedures

**Ellen Hudson,** Technical Records Specialist

Promptly reporting incidents, whether property or liability losses, is the responsibility of each Agency under Risk Management insurance protection. The notice must provide enough information to identify the notifying agency; specific information regarding place, time and circumstances of the incident; and the names, addresses, and telephone numbers of any potential claimants or witnesses.

An incident report should be filled out any time a citizen calls or comes in to advise you about damage or injury. If we have received a report from you ahead of time, the response time can be greatly expedited when a claim is received.

Most claims or incident reports should be sent to my attention at the Risk Management Program as soon as the agency is aware of a potential claim, either property or liability. You can reach me at 208-332-1869. Please do not send first reports to our claims adjusters. The reports must be put on the computer before they are given to an adjuster.

Once we receive your report, a monitor file will be set up for Liability claims until a tort claim is received, and a property file will be set up for property claims. These will be assigned to one of our claims adjusters. Once the adjuster has contacted you, you can direct all future correspondence regarding that file to them. Remember, all future correspondence should include the claim number and the date of loss so that it can be easily matched to the file and processed.

If the incident appears to be serious or results in a significant loss, reports should be sent to Kit Coffin, Risk Management Program Manager at 208-332-1871. Incidents which should be reported within 24 hours involve serious injury or death, damage in excess of \$10,000, losses which obviously require the assistance of an independent adjuster for coordination of repairs or to resume operations, Energy Systems losses, natural disasters such as fire, flood, and earthquake, or pollution or toxicity of any sort.

Please note that the *Idaho Auto Accident Report Guide* must be submitted to Risk Management any time damage to a state vehicle is incurred, as well as if a third party is involved in the vehicle incident. This form is also used for reporting potential auto liability claims. The Idaho Auto Accident Report Guide forms are to be completed by the State employee ONLY. This form is for internal reporting to Risk Management and must not be given to third-party claimants.

Sometimes, the claimant in a liability issue will request that we send their tort claim in for them. *Under no circumstance is the agency to file the claim and/or supporting documents with the Secretary of State on behalf of the claimant.* This may imply to the claimant that we are accepting liability. DO give them the information they need to file themselves, but they MUST file it themselves.

Remember, the agency shall not, except at its own cost, voluntarily make any payment, assume any obligation, or incur any expense other than for basic first aid, at the time of the incident.

Copies of the various incident reporting forms can be found in the Risk Management Handbook, available online at <http://www2.state.id.us/adm/insurance/risk/handbook.pdf>.



**Kit Coffin**  
Risk Management  
Program Manager



Kit manages the Risk Management Program that includes claim adjudication activities; the placement of property/casualty insurance and administration of self-insured coverages; and loss control.